

KEPPEL OPP'N EXH. 55

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2 participant as well.

3 Q. And what was EGDI's role?

4 A. EGDI was a single investor; a
5 single investor, separate account, or
6 single investor fund that had an
7 overlapping strategy to Fund XIV and
8 Fund XV.

9 I don't recall if there was
10 an investor. I know there -- I don't
11 remember if they actually invested.
12 They were considered -- they considered
13 it.

14 Q. And who was the single
15 investor in EGDI?

16 A. CIC, China Investment Corp.

17 Q. And just to be clear, you
18 cannot recall whether CIC invested
19 directly in Sete; is that right?

20 A. Correct. They had an
21 overlapping investment strategy with
22 Funds XIV and XV, but I don't recall
23 specifically if they invested in Sete
24 or not.

25 Q. What does it mean to have an

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2 overlapping strategy with Funds XIV and
3 XV?

4 A. An investment strategy that
5 would have been similar to those of
6 Funds XIV and XV. And so some
7 opportunities that would fit for Fund
8 XIV and XV would also fit for EGDI.

9 Q. And do you recall when you
10 first heard about the Sete investment
11 opportunity?

12 A. Not specifically.

13 Q. Were you involved in EIG's
14 initial discussions around whether or
15 not to invest in Sete?

16 A. I would have been aware of
17 discussions as they became serious,
18 about to be brought to the investment
19 committee, but I was not an active
20 member of the investment team.

21 Q. And what do you recall, if
22 anything, about those discussions
23 around the Sete investment opportunity?

24 A. Could you ask that maybe more
25 specifically.

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2 Q. Do you recall any of the
3 discussions about Sete?

4 A. I don't recall any specific
5 discussions.

6 Q. Do you recall who first told
7 you about the Sete investment
8 opportunity?

9 A. I don't.

10 Q. Do you recall approximately
11 when you first learned about the
12 opportunity to invest in Sete?

13 A. I don't.

14 Q. Can you speak Portuguese?

15 A. I cannot.

16 Q. Can you read Portuguese?

17 A. I cannot.

18 Q. Can you read Portuguese at
19 all, understand anything about
20 Portuguese?

21 A. I've learned to say hello in
22 Portuguese. That is the extent of my
23 language skills.

24 Q. Did you review any documents
25 in connection with the assessment of

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2 the Sete investment opportunity?

3 A. Can you clarify; do you mean
4 internal investment approval documents
5 versus project level documents, legal
6 contracts related to the investment?

7 Q. Well, what documents, if any,
8 did you review in connection with EIG's
9 assessment of Sete?

10 A. I only would have reviewed
11 our internal analysis, so our
12 investment committee recommendation,
13 you know, that brought to the
14 investment committee.

15 I did not review any of the
16 source diligence materials or legal
17 documents related to the investment.

18 Q. And is that typical of your
19 role as someone on the investment
20 committee, but not on the deal team?

21 A. That is typical.

22 Q. Do you recall the content of
23 any documents that you reviewed in
24 connection with Sete?

25 A. Not specific contents.

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2 Q. Did you review any contracts
3 with any shipbuilders in connection
4 with Sete?

5 A. I did not.

6 Q. Did you review any contracts
7 in connection with any -- strike that.

8 Did you review any contracts
9 with any shipyards in connection with
10 Sete?

11 A. I did not.

12 Q. Did you review any of the
13 offering or marketing documents in
14 connection with Sete?

15 A. I did not.

16 Q. Did you attend the investment
17 committee meetings for Fund XIV when
18 that fund approved its investment in
19 Sete?

20 A. I don't recall specifically,
21 but I likely did attend, but I don't
22 recall the meeting specifically.

23 Q. Just to be clear, you do not
24 recall one way or the other if you did
25 attend or not?

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2 Q. Do you recall watching any
3 video related to Sete at any annual
4 investors conference?

5 A. I recall that we had a video
6 of Sete. We often had videos of our
7 portfolio companies, but I don't
8 remember the content of the video.

9 Q. Have you ever been to Brazil?

10 A. I have.

11 Q. And when have you been to
12 Brazil?

13 A. I don't recall specifically.

14 Q. Do you recall approximately
15 how many times you visited Brazil?

16 A. I believe I've been twice. I
17 take that back. Three times. There
18 was one very early on.

19 Q. Okay. And ballpark, do you
20 know approximately when those visits
21 took place?

22 A. My first visit would have
23 been in the late 1990s, in connection
24 with an investment we were making. I
25 visited once in connection with -- with

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2 Sete, as the principle consideration.
3 And I've attended once since then,
4 with -- in relation to another
5 portfolio company.

6 Q. And what was the other
7 portfolio company that you referenced?

8 A. It's a company currently
9 called Prumo.

10 Q. And do you recall
11 approximately when the visit in
12 connection with Sete occurred?

13 A. I don't remember which year
14 it was. It was after the investment
15 had been made. And -- and, you know, I
16 went down to meet with our team and
17 had, you know, some Sete-related
18 meetings.

19 Q. Who did you meet with during
20 those -- that visit to Brazil in
21 connection with Sete?

22 A. Our team would have been led
23 by Kevin Corrigan. I don't remember at
24 the time who the other associates in
25 our office were. I met with Lake Shore

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2 **Advisors, Luiz Reis, and some of his**
3 **colleagues, and I had a brief**
4 **introduction with Feroz, but I don't**
5 **recall his first name.**

6 **Q. And what was the purpose of**
7 **that visit to Brazil?**

8 **A. As a meaningful portfolio**
9 **company, it seemed like a good idea**
10 **just to go down and, you know, hear**
11 **things more directly. And I spend -- I**
12 **visit all of our offices on a periodic**
13 **basis, and that would have been the**
14 **reason for being in Brazil.**

15 **Q. Was the purpose of the trip**
16 **related to EIG's due diligence of Sete**
17 **in any way?**

18 **A. No. This was -- it would**
19 **have been post our investment.**

20 **Q. And after EIG makes an**
21 **investment, it does not continue to**
22 **conduct due diligence; is that what you**
23 **mean?**

24 **A. I consider due diligence a**
25 **preinvestment -- I define due diligence**

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2 as preinvestment.

3 Q. Do you recall any -- strike
4 that.

5 Do you recall the substance
6 of any discussions with Feroz?

7 A. I don't.

8 Q. Aside from Lake Shore and
9 Feroz, do you recall any other
10 individuals who you met during that
11 trip to Brazil?

12 A. Other than Kevin Corrigan, I
13 do not.

14 Q. Apart from Kevin Corrigan,
15 was there anyone else from EIG with you
16 on that visit to Brazil?

17 A. We may have had part of the
18 local team there, but I generally
19 travel alone, and so there was nobody
20 accompanying me from outside of Brazil.

21 Q. I'm going to try to introduce
22 a document.

23 MR. GOLDMAN: Hey, Dave,
24 maybe now is the time to take a --
25 before you do that -- just a

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2 five-minute break. Even though we
3 haven't had a full hour testimony,
4 we have been going for over an
5 hour.

6 MR. KUMAGAI: Do you mind if
7 we just do this document and then
8 go on the break, it won't take
9 long?

10 MR. GOLDMAN: That's fine.

11 MR. KUMAGAI: Thanks.

12 (Exhibit 48, marked for
13 identification, Bates stamped
14 EIG_KEP_00075612.)

15 Q. I would like to introduce as
16 Defendant's Exhibit 48, document Bates
17 stamped EIG_KEP_00075612.

18 It appears to be an e-mail
19 from Randall Wade to Kevin Corrigan and
20 Angel Dunn dated October 25, 2011.

21 Mr. Wade, do you see
22 Exhibit 48?

23 A. I am refreshing. Yes. I put
24 on my glasses, so I can see it.

25 Q. Do you recognize this as an

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2 e-mail you sent around October 25,
3 2011?

4 A. I don't recall or recognize
5 the e-mail, but yes, this is an e-mail
6 from me.

7 Q. And if you scroll down to the
8 bottom of the chain, there appears to
9 be an agenda or what looks like a visit
10 to Brazil involving you and Kevin
11 Corrigan.

12 Do you see that?

13 A. I do.

14 Q. Is this the visit to Brazil
15 that you referenced earlier in
16 connection with Sete?

17 A. I believe so.

18 Q. So it would appear the visit
19 occurred around October 2011; is that
20 right?

21 A. It appears so.

22 Q. And was this the only trip
23 you made to Brazil in connection with
24 Sete?

25 A. Yes. The only one I recall.

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2 sending a letter out to all of our
3 investors that is intended to address
4 your questions."

5 Do you see that?

6 A. I do.

7 Q. Do you know whether Fund XV
8 sent out a letter to its investors
9 related to questions -- oh, go ahead.

10 A. Fund XV wouldn't have sent
11 out a letter. We would have sent out a
12 letter to all of our fund investors
13 related to the fund.

14 Q. Do you recall the content of
15 the letter that was sent in December of
16 2014?

17 A. I don't recall the content of
18 the letter specifically.

19 Q. And how often would EIG send
20 letters to investors in its funds?

21 A. Not a -- there's not a
22 determined period to those kinds of
23 communications. This letter did, for
24 context, oil prices collapsed in late
25 November 2014, and so that would

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2 have -- that's what would have
3 necessitated that. But, you know, that
4 -- that's a difficult-to-predict
5 occurrence.

6 Q. And so, typically, EIG would
7 send out letters when there was some
8 sort of notable event; is that fair?

9 A. Correct. We would send
10 something in addition to our normal
11 reporting, when there was an event that
12 we felt warranted it.

13 Q. And the event in this case of
14 Defendant Exhibit 53 was the collapse
15 of oil prices; is that right?

16 A. That's correct.

17 Q. Do you recall what impact, if
18 any, the collapse of oil prices around
19 this time period had on EIG's
20 investments in Sete?

21 A. I don't recall any impact on
22 Sete.

23 Q. Do you recall whether the
24 collapse in oil prices affected EIG's
25 evaluation of its Sete investments?

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2 A. I don't recall the -- an
3 impact specifically on Sete. The
4 collapse in oil prices certainly had an
5 impact on much of our portfolio, but I
6 don't recall Sete specifically.

7 Q. Sitting here today, do you
8 understand what impact, if any, the
9 collapse in oil prices around this time
10 of November 2014 had on Sete?

11 A. I don't believe there was
12 any.

13 Q. And can you explain how that
14 would be the case?

15 A. Our investment in Sete wasn't
16 tied to commodity prices. Our
17 investment in Sete was supported by
18 contractual -- a contractual revenue
19 stream that was unrelated to commodity
20 prices. And so if the contract had
21 performed, we wouldn't have had any --
22 the lower oil prices would not have had
23 any impact on our investment.

24 Q. And so is it your
25 understanding that EIG's investments in

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2 **Sete were incapable of being impacted**
3 **by changes in oil prices?**

4 **MR. GOLDMAN: Object to form.**

5 **You may answer.**

6 **A. Incapable is -- any impact**
7 **would have been indirect and most**
8 **likely would have been if oil prices**
9 **changed the credit profile of Petrobras**
10 **to such a sustained degree that they**
11 **could no longer live up to the terms of**
12 **their contract, then that could have**
13 **had an impact on our investment, but I**
14 **don't believe that's what occurred**
15 **here.**

16 **Q. And can you explain what you**
17 **mean by changed the credit profile of**
18 **Petrobras?**

19 **A. If Petrobras reached a point**
20 **of insolvency, and so they could no**
21 **longer pay under the terms of the**
22 **contract.**

23 **MR. KUMAGAI: Dan, did we**
24 **lose you?**

25 **MR. GOLDMAN: No, I just**

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2 turned the camera off for one
3 second. I heard everything that
4 you -- all the testimony.

5 MR. KUMAGAI: Just making
6 sure you were still around.

7 MR. GOLDMAN: Still here.

8 Q. Do you recall any analyses
9 that EIG did of the credit profile of
10 Petrobras?

11 A. I don't recall.

12 MR. KUMAGAI: I would like to
13 introduce as Defendant Exhibit 54,
14 document Bates stamped
15 EIG_KEP_00139825.

16 (Exhibit 54, marked for
17 identification, Bates stamped
18 EIG_KEP_00139825.)

19 Q. And Defendant Exhibit 54
20 appears to be an e-mail from Randall
21 Wade to Blair Thomas dated February 18,
22 2015.

23 Can you see Defendant
24 Exhibit 54, Mr. Wade?

25 A. I can.

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2 Q. **Do you recall this exchange**
3 **with Mr. Thomas?**

4 A. **I do not.**

5 Q. **Do you recall any exchanges**
6 **with any investors in the funds related**
7 **to Operation Car Wash?**

8 A. **Not specifically.**

9 Q. **And when you say not**
10 **specifically, do you recall general**
11 **conversations?**

12 A. **I'm sure I had conversations**
13 **related to Car Wash with investors, but**
14 **I don't remember the specific nature of**
15 **those.**

16 Q. **And in the bottom of the**
17 **e-mail you referred to an NHC script.**

18 **Do you see that?**

19 A. **I do.**

20 Q. **Can you tell me what NHC**
21 **stands for?**

22 A. **New Holland Capital.**

23 Q. **Do you recall whether EIG's**
24 **funds continued to fund Sete after**
25 **allegations were disclosed -- strike**

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2 that.

3 Do you recall whether EIG
4 continued to fund Sete after Operation
5 Car Wash was disclosed?

6 A. I don't recall any of the
7 specifics on the mechanics around Sete.

8 Q. Did anyone at EIG get
9 disciplined in any way as a result of
10 Sete?

11 A. No.

12 Q. Have any of the funds'
13 investors accused EIG of any wrongdoing
14 with respect to Sete?

15 A. None.

16 Q. Sorry, what did you say?

17 A. I said none.

18 Q. What was the role of the
19 Investment Product Review Committee?

20 A. The Investment Product Review
21 Committee was a committee at Trust
22 Company of the West, TCW, that was a
23 committee to review and approve the
24 launching of a new fund.

25 So TCW had many portfolio

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2

CERTIFICATION

3

4

5 I, JEREMY RICHMAN, a Notary Public for
6 and within the State of New York, do
7 hereby certify:

8 That the witness whose testimony as
9 herein set forth, was duly sworn by me;
10 and that the within transcript is a true
11 record of the testimony given by said
12 witness.

13 I further certify that I am not
14 related to any of the parties to this
15 action by blood or marriage, and that I am
16 in no way interested in the outcome of
17 this matter.

18 IN WITNESS WHEREOF, I have hereunto
19 set my hand this 17th day of June, 2021.

20



21

22 JEREMY RICHMAN

23 * * *

24

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